

**FIRST NATIONAL CORPORATION**

	CPP Disbursement Date 03/13/2009	RSSD (Holding Company) 1076123	Number of Insured Depository Institutions 1		
Selected balance and off-balance sheet items	2011 \$ millions	2012 \$ millions	%chg from prev		
Assets	\$539	\$532	-1.1%		
Loans	\$393	\$384	-2.2%		
Construction & development	\$48	\$44	-10.0%		
Closed-end 1-4 family residential	\$85	\$101	19.1%		
Home equity	\$38	\$35	-8.8%		
Credit card	\$0	\$0			
Other consumer	\$2	\$2	-19.8%		
Commercial & Industrial	\$27	\$21	-23.5%		
Commercial real estate	\$154	\$145	-5.8%		
Unused commitments	\$49	\$53	8.1%		
Securitization outstanding principal	\$0	\$0			
Mortgage-backed securities (GSE and private issue)	\$64	\$58	-9.2%		
Asset-backed securities	\$0	\$0			
Other securities	\$27	\$31	14.2%		
Cash & balances due	\$30	\$31	5.1%		
Residential mortgage originations					
Closed-end mortgage originated for sale (quarter)	\$0	\$0			
Open-end HELOC originated for sale (quarter)	\$0	\$0			
Closed-end mortgage originations sold (quarter)	\$0	\$0			
Open-end HELOC originations sold (quarter)	\$0	\$0			
Liabilities	\$493	\$485	-1.6%		
Deposits	\$469	\$473	0.9%		
Total other borrowings	\$19	\$6	-68.2%		
FHLB advances	\$19	\$6	-68.4%		
Equity					
Equity capital at quarter end	\$46	\$47	3.4%		
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$0	\$1	NA		
Performance Ratios					
Tier 1 leverage ratio	8.3%	9.2%	--		
Tier 1 risk based capital ratio	11.1%	12.3%	--		
Total risk based capital ratio	12.4%	13.6%	--		
Return on equity <sup>1</sup>	-64.5%	8.5%	--		
Return on assets <sup>1</sup>	-6.0%	0.8%	--		
Net interest margin <sup>1</sup>	4.2%	3.9%	--		
Coverage ratio {(ALL+Alloc transfer risk)/Noncurrent loans}}	105.2%	151.7%	--		
Loss provision to net charge-offs (qtr)	34.9%	9.3%	--		
Net charge-offs to average loans and leases <sup>1</sup>	8.5%	1.1%	--		
<sup>1</sup> Quarterly, annualized.					
	Noncurrent Loans		Gross Charge-Offs		
Asset Quality (% of Total Loan Type)	2011	2012	2011	2012	
Construction & development	0.5%	1.5%	0.9%	0.1%	--
Closed-end 1-4 family residential	3.7%	0.9%	4.7%	0.0%	--
Home equity	0.0%	0.6%	0.1%	0.0%	--
Credit card	0.0%	0.0%	0.0%	0.0%	--
Other consumer	0.0%	0.0%	2.7%	1.7%	--
Commercial & Industrial	0.6%	0.5%	0.4%	0.0%	--
Commercial real estate	5.1%	4.2%	2.6%	0.3%	--
Total loans	3.1%	2.2%	2.2%	0.3%	--